

HAKKANI PULP & PAPER MILLS LIMITED
Balance Sheet (Unaudited)
Period: 1st July to '09 to 31st Dec'09 (2nd Quarter)

(Taka in '000)

	31st Dec'2009	30 th June'2009
A. SOURCES OF FUNDS		
<u>SHARE HOLDERS FUND:</u>		
Share Capital	190,000	190,000
Tax Holiday Reserve	44,629	44,629
Dividend Equalization Fund	9,000	9,000
Retained Earnings	5,383	752
	249,012	244,381
<u>LOAN FUND:</u>		
Unsecured Loan	20,408	20,408
	269,420	264,789
B. APPLICATION OF FUNDS		
<u>FIXED ASSETS (At cost less Depreciation)</u>	201,928	208,489
Capital Work in Progress	591	591
Investment in Shares	10,385	10,656
<u>CURRENT ASSETS:</u>		
Inventories	111,760	80,397
Sundry Debtors	3,684	2,198
Advances, Deposits & Prepayments	7,846	12,104
Receivable From MTD R	2,952	5,961
Cash & Bank Balances	28,579	31,889
	154,821	132,548
<u>Less: CURRENT LIABILITIES:</u>		
Bank Loan & Overdraft	26,664	42,888
Provision for Income Tax	3,329	6,139
Accrued Expenses	5,139	8,311
Trade Creditors	39,673	4,381
Liabilities for Other Finance	21,764	5,051
Directors Current Account	1,745	1,745
Proposed Dividend	-	19,000
	98,314	87,515
Net Current Assets	56,507	45,033
<u>Miscellaneous:</u>		
Preliminary Expenses	10	20
	269,420	264,789

Managing Director

Director

Chief Financial Officer

HAKKANI PULP & PAPER MILLS LIMITED
Profit & Loss Statement (Unaudited)
Period:1st July to'09 to 31th Dec'09 (2nd Quarter)

<u>Particulars</u>	(Taka in '000)	
	31st Dec'2009	31st Dec'2008
Sales	58,002	118,618
Less: Cost of Goods Sold	47,194	94,620
Gross Profit	<u>10,809</u>	<u>23,998</u>
Less: Operating Expenses		
Administrative Expenses	1,971	1,499
Financial Expenses	1,220	1,033
Selling & Distribution Expenses	203	221
	<u>3,394</u>	<u>2,753</u>
Operating Profit/(Loss)	7,416	21,245
Add: Non-Operating Income	365	1,488
	<u>7,781</u>	<u>22,733</u>
Less:Provision for Deminution in Investment	<u>-</u>	<u>2,216</u>
Net Profit Before WPPF	<u>7,781</u>	<u>20,517</u>
Less:Contribution to Workers Profit Participation Fund	370	977
Net Profit Before Tax & Tax Holiday Reserve	<u>7,410</u>	<u>19,540</u>
Less:Tax Holiday Reserve	<u>-</u>	<u>5,410</u>
Net Profit Before Provision for Income Tax	<u>7,410</u>	<u>14,130</u>
Less: Provision for Income tax	2,779	2,774
Surplus for the Period	<u>4,631</u>	<u>11,356</u>
Balance Brought forward from last year	752	703
Balance carried forward to balance Sheet	<u>5,383</u>	<u>12,059</u>
Earning Per Share- Basic	<u>0.39</u>	<u>0.88</u>

Managing Director

Director

Chief Financial Officer

HAKKANI PULP & PAPER MILLS LIMITED

Cash Flow Statement (Unaudited)

for the half year ended 31st December'2009

	(Taka in '000')	
	31st Dec'2009	31st Dec'2008
A. <u>Cash flows from operating activities:</u>		
Cash Collection from Turnover & Others	56,588	103,728
Payment for cost and expenses	(37,593)	(80,469)
Interest Paid	(1,220)	(1,033)
Income tax paid	(4,401)	(1,103)
Net cash from operating activities	13,374	21,123
B. <u>Cash flows from investing activities:</u>		
Acquisition to Fixed Assets	(612)	(1,763)
Capital Work In Progress	-	(196)
Investment In Shares	-	(2,466)
	(612)	(4,425)
C. <u>Cash flows from financing activities:</u>		
Bank Overdraft	(16,224)	(9,646)
Liabilities for other finance	145	22
Dividend Paid	8	-
Net Cash from financing activities	(16,071)	(9,624)
Net Cash Inflow/(Outflow) for the Period	(3,310)	7,074
Cash & Bank Balances at the beginning	31,889	31,119
Cash and Bank Balances at the end	28,579	38,193

Note: This Cash Flow statement has been prepared under Direct Method.

Managing Director

Director

Chief Financial Officer

HAKKANI PULP & PAPER MILLS LIMITED

Statement of Changes in Equity (Unaudited)

Period:1st July to'09 to 31th Dec'09 (2nd Quarter)

(Taka in '000)

Particulars	Share Capital	Tax Holiday Reserve	Dividend Equulization Fund	Retained Earnings	Total
Balance as at 1st July '09	190,000	44,629	9,000	752	244,381
Net Profit after Tax	-	-		4,631	4,631
Balance as at 31st Dec,2009	190,000	44,629	9,000	5,383	249,012

Managing Director

Director

Chief Financial Officer